

ACCESS WEST

WESTERN ECONOMIC DIVERSIFICATION CANADA

October - December 2001

CA1 WE -A18

THE SMALL BUSINESS ADVANTAGE

Contrary to popular belief, small business has a lot to teach big business. While big companies are downsizing, the small business sector is growing and creating jobs.

Small Business Survival Mode

In order to survive and succeed in today's competitive marketplace, small businesses work with a sense of urgency. This survival mode drives not only the owner, but the employees as well, to make the company a success.

Many big businesses have forgotten that they became successful by using many of the tactics of a small business. They often become so large and bureaucratic that employees lose sight of how they relate to the company's business and its success, leading to complacency and unproductive activity.

Job Description Versatility

Providing employees with a variety of responsibilities in their jobs gives the small business owner the advantage over big business where employees are usually given narrowly defined job descriptions.

Small businesses typically rely on the versatility of their employees to handle a range of tasks. Cross training increases the overall skills of the business's workforce and allows its employees to acquire new skills and contribute to its success.

Big business has been slow to recognize the importance of cross training and as a result many employees in a big company can work their entire career in only one or two different jobs. Skill sets can become obsolete or overly abundant, resulting in downsizing and layoffs.

Reliance on Creativity

As a matter of survival, small businesses rely on creativity to constantly improve. The most effective people in a small business are those who take on a project and complete it successfully using their own instincts, inventiveness, creativity and dedication.

Bureaucratic processes within big business often stifle the ability of staff to see changes within a system. Big companies can take a page from the small business owner and encourage their staff to be creative and voice ways of improving the way the company does things.

By sidestepping the small business supplier or contractor, big business may be overlooking valuable talent that could assist their company to succeed. Because of the survival instinct of the small business owner, they could realize cost savings, unique business solutions and improved client service for products and services they might have received from another big business that isn't reliant on their business.

Don't dismiss small business offhand. They have advantages big business can't compete with!



Canada

www.wd.gc.ca

1-888-338-WEST

Access West

October - December 2001

Access West is published quarterly by Western Economic Diversification Canada.

WD Offices:

British Columbia

Suite 700, Price Waterhouse Bldg. 601 West Hastings Street Vancouver BC V6B 5G9 (604) 666-6256

Alberta

Suite 1500, Canada Place 9700 Jasper Avenue NW Edmonton AB T5J 4H7 (780) 495-4164

Suite 400, Standard Life Bldg. 639 – 5 Avenue SW Calgary AB T2P 0M9 (403) 292-5458

Saskatchewan

Suite 601, S.J. Cohen Bldg. 119 - 4th Avenue South Saskatoon SK S7K 3S7 (306) 975-4373

> 1925 Rose Street Regina SK S4P 3P1 (306) 780-8080

Manitoba

Suite 712, The Cargill Bldg. 240 Graham Avenue Winnipeg MB R3C 2L4 (204) 983-0697

Access West Editor: Barb Steele – (780) 495-4982

Disponible aussi en français

Canadian Publication Mail Agreement No. 40063159

ISSN 1495-6802 (Print) ISSN 1495-6543 (Online)

A Message from the Honourable Ron J. Duhamel



Ron J. Duhamel Minister of Veterans Affairs and Secretary of State (Western Economic Diversification) (Francophonie) Working with western Canadian small and medium-sized businesses to help them succeed is a priority for Western Economic Diversification Canada (WD). And, there is no more appropriate time than Small Business Week to recognize the accomplishments of the small business entrepreneur.

Small Business Week is celebrated across Canada the week of October 21-27th. Across the West, and throughout the country, small businesses will be honoured in their communities for going that extra mile in order to succeed. In addition to

showing a profit, being a success can mean involvement in the community — sharing their expertise through mentoring programs, working with schools or volunteering their time with non-profit groups.

WD and its partners in the Western Canada Business Service Network participate in many of these events to honour worthy entrepreneurs who deserve recognition for their contribution to the economic welfare of the communities they serve.

On behalf of the Government of Canada and Western Economic Diversification Canada, I invite you to join me in saluting successful small business owners for their perseverance, dedication and hard work. Their contribution to the economy of Western Canada ensures its continued growth and prosperity.

ON THE PATH TO INNOVATION

WD projects identify new innovation opportunities for Western Canada

by Pamela Roy

Western Economic Diversification Canada (WD) has recently been involved in a number of research initiatives that encourage and support innovation, while leading to a better understanding of economic needs and policies in Western Canada.

One example was a series of workshops held during this past May and June entitled, *Shaping the Future of Health Research and Economic Development in Western Canada*. The workshops, held in Winnipeg, Saskatoon, Edmonton and Vancouver, sparked discussion about opportunities for health research and economic development in the West.

Led by Dr. Henry Friesen, former head of the Medical Research Council of Canada and current chair of Genome Canada, the workshops were designed to bring together many of Western Canada's leading health and medical researchers, health institutes, and federal and provincial stakeholders to identify opportunities for collaboration and investment in the growing medical and health research sectors.

Dr. Friesen presented a vision of Canada as a world leader in health/medical research, health care and health industry development, and that Western Canada was the pacesetter with the most dynamic and innovative strategies to achieve global leadership in this sector. With Western Canada poised to become a world-class leader in health research and technology, the workshops were an opportunity to bring the region one step closer by determining what must be done to make the vision a reality.

Ron J. Duhamel, Minister of Veterans Affairs and Secretary of State (Western Economic Diversification) (Francophonie), challenged workshop participants to "reach consensus on the initiatives to be undertaken to strengthen our health research and commercialization activities in Western Canada."

In keeping with the Government of Canada's efforts to ensure that Canada is well positioned in the global economy and that the country is proactive when it comes to critical issues like health research, the findings of these workshops will support



Minister Duhamel at May 2001 workshop in Winnipeg, Shaping the Future of Health Research and Economic Development in Western Canada. The workshop was part of a series held in the four western provinces to explore opportunities for health research and economic development in the West.

the building of a strong, innovative and knowledge-based economy for the future.

Other current research reports or projects funded in whole or in part by WD include:

- Looking West: A Survey of Western Canadians, a look at where western Canadians would like to see the West in 2020.
- A Study of Western Canadian Research Infrastructure, an examination of the existing research and development capacity in Western Canada.
- A Portrait of Small Business Growth and Employment in Western Canada, a survey of trends in small business over the past 10 years and information on relevant issues relating to small business ownership.
- Guidelines for Federal Policy Priorities in Urban Areas, an assessment of the Government of Canada's role in addressing the opportunities and challenges facing urban centres.

To obtain a copy of these reports, contact Nicole Thivierge by e-mail at nicole.thivierge@wd.gc.ca or visit WD's Web site at: www.wd.gc.ca.

More Ways to Serve You – Electronic Tax Services

by Sue Sohnle, Canada Customs and Revenue Agency

The Canada
Customs and
Revenue Agency
(CCRA) is continually
looking for ways to
improve services for small
business by introducing new
filing and payment options. In
conjunction with traditional paper
filing, CCRA has a variety of
electronic, Internet and automated
telephone filing methods that offer...

Convenience — most on-line and automated telephone services are available extended evenings and weekend hours.

Security — the privacy of your data is of utmost importance and CCRA uses robust security methods, including encryption and firewalls.

Immediate confirmation — the assurance that your return or payment has been received.

Lower cost — electronic filing methods reduce printing, handling, postage and storage costs, and most direct services are offered free of charge. Costs may apply for services provided by provincial registries, financial institutions or where commercial software is required.

Faster processing — refunds are often issued quicker, especially using direct deposit.

Integrated service — simplified registration and filing procedures by partnering with different levels of government to provide on-line single-window services, eliminating duplication.

New CCRA Service Initiatives

Business Registration On-line — integrated on-line service lets you register for a Business Number and CCRA accounts.

GST/HST TELEFILE — allows business clients to file GST/HST returns by phone (for returns only with a nil balance or refund of \$10,000 or less). Look on your personalized GST/HST return for a TELEFILE Access Code.

TeleReply – employers can call 1-800-959-2256 to advise if they have no payroll deductions remittance to make during a remittance period.

Fillable forms – the CCRA Web site contains fillable forms.

Instead of completing forms by hand, enter your data on-screen, print and submit the paper copy.

Electronic payments — pay your business taxes and file electronically through your financial institution's telephone and Internet banking services (current list of participating institutions is available on the CCRA Web site).

Sole Proprietorships

Programs designed for individuals may also be useful to unincorporated businesses that file a Statement of Business Activities with their personal tax returns.

Instalment payments — many sole proprietors pay tax in quarterly instalments. Contact Client Services at 1-800-959-8281 to set up pre-authorized payments or for more information.

NETFILE — most unincorporated small businesses can file their personal tax returns, including Statement of Business Activity, over the Internet using commercially available software.

Other Services

Tables on Diskette (TOD) — a stand-alone computer program that calculates payroll deductions for all pay

periods, provinces and territories. Download the program from our Web site or order the diskette free of charge.

Magnetic-Media — magnetic-media filing lets you send computer-generated diskettes, tapes or cartridges instead of sending paper copies of year-end information returns such as T4s

Publications — most CCRA guides and forms are available on the Internet, or place your order on-line for paper copies.

For more information on CCRA programs and services, visit their Web site at: www.ccra-adrc.gc.ca/eservices, or call the Business Enquiries line at 1-800-959-5525, weekdays from 8:15 a.m. to 8:00 p.m. •

PASS IT ALONG!

Access West is for western Canadian businesses!

If you're in business in the West or wanting to start a business, *Access West* is designed with you in mind.

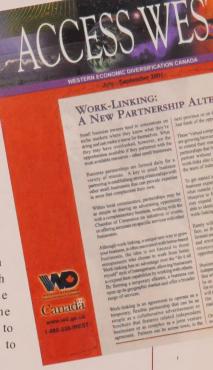
Many businesses subscribe to magazines to provide something for their clients to read in reception areas while waiting for appointments. Ensure that *Access West* is among those publications! It's free of charge.

Clients or visitors to your business from your community may be unfamiliar with Western Economic Diversification Canada (WD) and will find the business information and updates on WD's programs or services available to western Canadian businesses of interest.

Or...if you've read the newsletter and no longer need it, don't throw it away. Pass it along to another business entrepreneur.

Access West is also available on-line at www.wd.gc.ca. If you are one of the new age entrepreneurs who enjoy on-line newsletters, this feature is ideal for you. Just click on the Access West button on the front page to link with the most current issue. Back issues are also available.

On-line subscription services allow readers to update their subscription when it is most convenient for them. Add a new subscription, update your mailing address or convert your subscription to the on-line version receive (vou'll e-mail notice with information about the current issue when the newsletter has been loaded to the Web site, with a link to Access West).



While visiting the WD Web site, check out the many features and business tools that are available.

IN SEARCH OF SMALL BUSINESS FINANCING?

Accessing capital is vital to the success of business. For many Canadian small or mediumsized enterprises (SMEs) getting the money needed to remain competitive and profitable may be the most difficult challenge they face.

Traditional financial sources have not been terribly receptive to SMEs when it comes to providing loans or even a line of credit. Why?

They may have a great business idea and are extremely talented, but have no business experience or collateral. Simply put, SMEs are risky and hard to evaluate.

So what do you do when you need additional cash to start or grow your business? Most entrepreneurs turn to the banks; many look to personal loans as a back door alternative when seeking financing for a small business venture. But banks may not be the best or most viable financing solution. Fortunately, there are options.

Venture capital in Canada is on the rise. If you have an excellent business plan that shows a high rate of return and a strong management team, you may be able to tap into venture capital.

More recently, angel investors are finding a place in the financial marketplace. An angel investor is a private investor, often someone who has successfully run their own company and is willing to invest in business startup. The key advantage is that they are often well connected in the business world and can offer good advice based on knowledge and experience.



In addition, federal and provincial government departments offer programs and services for small business.

Western Economic Diversification Canada (WD) has created alternative sources of capital for small and medium-sized businesses by working closely with financial institutions to offer specialized loan programs in the areas of knowledge and growth,

information technology and telecommunications, and agricultural value-added processing. In addition, WD has developed a number of micro loan programs in urban centres that focus on loans for small businesses. These programs provide patient and flexible debt capital on terms especially suited to the unique needs and cashflow requirements of these businesses. WD's Client Service Officers also offer assistance with developing and refining business plans, completing technology reviews and preparing other documentation required by a lending institution.

Specialized loans are also available through Community Futures Development Corporations, Women's Enterprise Initiative offices and Francophone Economic Development Organizations throughout the West.

For more information about financing options available through WD or its partners in the Western Canada Business Service Network, contact WD at 1-888-338-WEST (9378) or visit our Web site at: http://www.wd.gc.ca/eng/finance/xnetwork.html, which also includes links to other financing sources. *



ACCESS

BRITISH COLUMBIA

October - December 2001



Draper, William Keith

September 10, 1947 - July 7, 2001

It is with great sadness that we announce the sudden passing of Keith Draper, Acting Assistant Deputy Minister, B.C. Region, Western Economic Diversification Canada.

Keith will forever remain in the hearts of his loving wife, Gloria Caravan Draper, his sons Russell Keith Draper (Stacey), Rodney William Draper and Trevor Caravan. Keith and his wife Gloria were also proud grandparents of a new baby girl, Grace, born on July 4, 2001; a first grandchild they were so looking forward to meet during their planned vacation to New Brunswick.

Keith Draper was an exceptional man with a quick smile and a keen intellect. He was a warm-hearted, thoughtful person who cared deeply about the people he worked with. Always calm and collected, he handled himself with grace and dispensed wisdom with a gentle sense of humour. His many friends and colleagues in the federal government and the private sector appreciated his dedication to the people of Canada and his ability to balance that commitment with love for his family.

William Keith Draper was born in Parry Sound, Ontario (where he played hockey with a young Bobby Orr), obtained his Masters degree in Economics at Western University in London, Ontario, in 1971, and began his career as a business analyst at Dun and Bradstreet. Keith worked as an industrial economist in the P.E.I. Department of Industry and Commerce before joining the then Department of Regional Economic Expansion (DREE), New Brunswick, where he rose through the ranks in a career that spanned 19 years at DREE and its successor agency, the Atlantic Canada Opportunities Agency (ACOA). He joined WD in 1995 as Director General, Program Development and Strategic Services. From October 2000 to his untimely death, Keith was the Acting Assistant Deputy Minister, B.C. Region, Department of Western Economic Diversification. •

IN SEARCH OF SMALL BUSINESS

ACCESS BRITISH COLUMBIA

INNOVATIVE SEEDLING PROTECTION

The forestry industry is always looking for new reforestation techniques to combat the natural invasion of newly planted seedlings and maintain long-term site productivity. Deer, rabbits, voles and porcupine are partial to the young seedlings' sugar laden leaders and terminal shoots, meaning many young seedlings never reach maturity.

John Kendall, a consulting forester based in Greater Victoria, was interested in designing a new tree shelter and dropped into Neil Forman's Prince Rupert machine shop to get a part made. The two discussed how to improve shelters, and entered into a partnership, forming **Freegro Enterprises**. Today, several prototypes and two years later, the Freegro® Plant Shelters system continues to evolve into a success story.

The plant shelters provide a balance between growth enhancement, while at the same time protect vulnerable seedlings from animal damage. The shelters are easy to transport and cheap to install. It can take as little as 10 seconds to install the shelters, which are customized to growing conditions and tree species. Better yet, when their job is done, the shelters degrade on their own and disappear, making costly retrieval unnecessary.

Forman oversees manufacturing at Certified Plant Shelters in Prince Rupert. "At this point, we have about 200,000 Freegro® shelters in the field," reports Forman.

The shelters look like vertically staked windsocks that can be easily installed over a pre-staked tree or plant. They are flared at the top to ensure that leaders do not come into contact with the rigid rim. The basic design has two rims equipped with friction clips that can be fitted with a variety of cylindrical fabric socks to protect the plant. The clips attach the shelter near the top and bottom to a support stake driven into the ground. An auxiliary peg(s) can be added to the bottom for additional support where wind firmness is an issue or soil conditions are shallow.

Flexibility is key to the system. Freegro® systems come in several varieties and treatments of claddings that vary with tree species and their growing environments. Fine mesh fabric shelters are best suited to animal protection, allowing air and light through, but resilient enough to be too much work for animals such as deer to bother with. Full fabric socks provide these same features, but also produce a greenhouse effect that accelerates early seedling growth.



Degradable Freegro plant vulnerable se

IT'S A GREAT TIME TO BE A SMALL

ACCESS BRITISH COLUMBIA

DESIGNED FROM THE GROUND UP



ers are designed to protect is from animals

Kendall indicated that they use a wide range of textiles. Fabrics are chosen primarily for their high UV resistance and strength, as well as light transmission and heat transfer properties. The UV rate of degradability differs for seedlings planted in the Queen Charlotte Islands, than for those planted in southern California. Shelter fabrics are carefully chosen to allow the seedling to grow beyond the point where it becomes food for animals, while still providing protection from weather and competing plant life. Its degradation allows the foliage to emerge from built-in breakpoints at the same time as the rims are opening up at their breakpoints to ensure the plant is released from its protective cocoon. The stakes rot and the rims and clips eventually rust.

The Freegro® shelters are simple to install and cost between 30 and 60 per cent less compared with other types of protectors. Shelters can be customized, but most are four feet in length with a 4½ inch diameter sock. Red cedar makes the most durable stakes, notes Forman.

Certified Plant Shelters employs about a dozen people sewing and packaging the plant shelters, producing about 2,000 shelters a day.

Forman and Kendall financially supported Freegro's development, but were successful in obtaining assistance with their system from a variety of sources, including the B.C. Technical Assistance Program, administered through the National Research Council, and Human Resources Development Canada's local labour market partnership. They were also able to secure loans through the Community Futures Development Corporation of the Pacific Northwest in Prince Rupert, Western Economic Diversification Canada's Community Economic Adjustment Initiative (CEAI) and Forest Renewal BC, which have helped scale up the company's production capability.

Although the Freegro® Plant Shelters are designed and assembled in B.C., they have generated interest across North America and from several European countries, as well as from as far away as Tasmania.

For details on how to reach Certified Plant Shelters and Freegro Enterprises, visit their Web site at: www.freegro.com. •

This story has been adapted from an article printed in Logging & Sawmilling Journal, November 2000 issue.

IN SEARCH OF SMALL BUSINESS

ACCESS BRITISH COLUMBIA

A CHAMPION OF CITIZEN-CENTERED SERVICE DELIVERY JOINS WD AS ASSISTANT DEPUTY MINISTER FOR BRITISH COLUMBIA

appointment of Ms. Ardath Paxton Mann as Assistant Deputy Minister for British Columbia.

A political science graduate of the University of Manitoba, Ardath Paxton Mann joins the federal public service after a 17 year career with the Government of British Columbia where she held a number of senior position: in central agencies as Deputy Secretary to Cabinet responsible for the Cabinet Committee on Economic Development and Public Affairs Counsel in the Central Public Affairs Bureau, and line ministries - Labour, Advanced Education, Regional & Economic Development, Development Trade and Tourism, Small Business Tourism and Culture, and Competition Science &

Mrs. Oryssia Lennie, Deputy Minister for Western I have included responsibility for regional and community Economic Diversification, is pleased to announce the economic development, entrepreneurship, Aboriginal

> economic development. Communities in Transition and the provision of policy and program support to small businesses in British Columbia

"The region will thrive under Ardath's leadership, vision and intimate knowledge of B.C. and the business community, the very qualities we always valued in Ardath over the many years of close cooperation between our Department and the B.C. government," stated Mrs Lennie

"I look forward to building on the legacy of my predecessors and drawing on the incredible resources of the B.C. office," said Paxton Mann. "Enhancing our region's collaborative partnerships with



Ardath Paxton Mann, new ADM for WD British Columbia Region

Enterprise. Most recently, Ardath headed up the B.C. | all levels of government and the private sector will form Government's Deregulation Office. Ardath's assignments | the basis of many of our efforts in the coming years." •

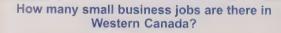
It's a great time to be a small business owner in Western Canada

by Quinn Nicholson

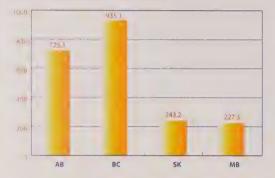
Over the last decade, Canada's western provinces have all seen a boom in the growth of small businesses. That's the main finding of a report released by Western Economic Diversification Canada (WD) entitled, A Portrait of Small Business Growth and Employment in Western Canada. The report traces trends in the small business community through the 1990s, examining how small business has changed in 27 different regions across the western provinces. It also includes analyses of small business growth in the West, a look at where western high-tech centres are developing, and profiles of age, education and gender distribution in small businesses.

The Honourable Ron J. Duhamel, Minister of Veteran Affairs and Secretary of State (Western Economic Diversification) (Francophonie) said: "By providing information on small business growth rates, job creation, self-employment, sub-regional development patterns, sectoral distribution and small business ownership, this study provides a valuable contribution to people running small businesses or helping to formulate small business policy."

Nataliya Rylska and Edward Chambers, members of the University of Alberta's Western Centre for Economic Research, researched the report. Chambers points out: "Not only is small business 40 per cent higher in the West, but entrepreneurial activity in the region, measured by new business formations per capita, displays a similar



4 Total Small Business Employment (000s)



Source: Canadian Business Patterns and Labour Force Survey

Small business provided an average of 2,130,900 jobs per year from 1996 to 1999. This was 52.2% of all small business jobs in Canada. Of the jobs in Western Canada, 43.9% were in British Columbia, while 34% were in Alberta.

difference. And, employment in small business entities accounts for one of every two jobs in the region."

Interested in obtaining a copy? The report is available throughout the West at Community Futures Development Corporation offices and Canada Business Service Centres, or can be obtained directly from any WD office or by calling 1-888-338-WEST (9378).

Highlights of the Report

- The number of small businesses in Western Canada per thousand population is 40% higher than in the rest of the country.
- Enterprises with less than five employees account for 80% of all business entities.
- During the 1990s, the number of small businesses in Western Canada grew by 26,000 annually.
- In the West, about 32% of small businesses produce goods and 68% produce services. This is significantly different from the test of the country where 20% produce goods and 80% produce services.
- Self-employment is a larger share of total employment in Western Canada than in other parts of the country.
- Small business births per member of the labour force size are 42% higher than in other parts of the country.
- Small business numbers per member of the labour force size are highest in the more rural regions of Western Canada.
- There are two self-employed men for every self-employed woman, but the number of self-employed women is growing at twice the rate of men.

ENTREPRENEURSHIP



Parent Seed Farms is a partnership of brothers Rénald and Norbert, and Rénald's son, Robert.

The entrepreneurial spirit is alive in the West!

An anonymous quote reads, "Nothing big ever comes from being small." But if you talk to these small business entrepreneurs, they'll disagree.

With only 38 employees, Parent Seed Farms Ltd. of St. Joseph, Manitoba, has experienced huge success in seed production and cleaning since 1966 when the business started out in one small Quonset shed. Rénald Parent took over the operation from his father in 1971. To meet changing market requirements, Parent expanded its product line to include speciality crops for the edible food markets such as beans, lentils and peas, and bird feed products, in addition to cereal seeds.

"Our focus has never been to take a share of the larger markets. We like to work with small and medium-sized buyers in niche markets," indicated Rénald. By selling to these discriminating buyers and maintaining a quality control program that is second to none, Parent Seed Farms has been able to maintain annual export sales of approximately \$25 million — 90 per cent of its sales are in the export market. Edible foods make up 90 per cent of the sales.

Parent Seed Farms credits some of its export success to assistance they received from Western Economic Diversification Canada (WD). Two recent graduates were hired under WD's International Trade Personnel Program (ITPP) to help the company expand its markets in Europe, the Middle East, Russian block countries and, more recently, into Central and South America.

"The success of this company can be attributed to management and the strong support from our staff," concluded Rénald.

Entrepreneurship is in the blood of sisters Tag and Catherine Goulet. They each bring business experience to the rapidly growing Alberta dot com success – Fabjob.com Ltd. Catherine has always been an entrepreneur, says Tag, while she has been a speaker and author. Combined, they bounced around business ideas over coffee and realized there was a market for information on careers that are rarely advertised.

"Fabjob.com is about helping people make their dreams come true," indicated Tag of the cyberspace bookstore for jobseekers. "Each e-book is like a friend that takes your hand and shows you how to break into popular careers such as acting or how to publish a children's book."

Like an inventor, being a small business has meant that the Goulets have had a chance to make their ideas a reality, and quickly. They toss ideas back and forth, and then just do it. It means more risks, but that's part of the small business experience that big companies may miss in the many layers of management and approval processes.

Very early in the business planning stage, Tag and Catherine linked up with WD Client Service Officer Sherry Moir. "Sherry was a totally awesome business coach that had a 'tough love' approach we needed to help us focus and get serious about business."

Only a year and a half after Fabjob.com went on-line, the company employs eight contractors who work from their homes in the Calgary area, and has enlisted very successful authors from across Canada and the U.S. who share their knowledge on how to get hired and get ready for exciting careers.

If you're in Regina and want to enjoy a fine dining experience, visit



Tag (R) and Catherine (L) Goulet of Fabjob.com help make people's dreams come true.

HE SPIRIT OF THE WEST

The Creek in Cathedral Bistro and say hello to Lorna Cosper.

At age 51, Lorna decided to pursue her love of gourmet cooking after attending a small business development presentation in May 2000. WD's Christopher Doll stayed afterward to answer her questions and continues to provide individual business support, including helping her establish contacts and providing financial advice.

Today, The Creek has the prestigious distinction of "star" status in the 2001-02 edition of "Where to Eat in Canada," an exclusive listing of Canada's top eating establishments. The restaurant serves continental cuisine from its location in the city's ethnically diverse and historical Cathedral area.

One of the challenges for Lorna is dealing with industry suppliers who aren't prepared to service small restaurants like The Creek. She spends her mornings grocery shopping and looking for everything from wooden spoons to napkins, but it's all worth the effort when her clients walk away happy.

"The business keeps me busy and it can be exhausting; it requires perseverance and the ability to adapt. It's a constant learning experience," Lorna enthused. The hard work is all part of the business she says, adding that she intends to stay a "small" business. "The Bistro is like having people in my own dining room and sharing my love of fine food. Expanding would take away that appeal. We're doing very well at what we're doing, and good things come in small packages."

As a youth, Paul Simpson worked on trawlers and in fisheries along the B.C. coast. He went on to attend university and then worked in Japan, where he met his business partner, Matt Salo. Together, they returned to B.C. and their true love,

the sea. While doing market research, they discovered a huge market looking for better quality, fresh mussels.

In 1997 they went into the aquaculture business on Salt Spring Island, opening Island Sea Farms Inc., a mussel shellfish farm. With a lot of assistance from WD, federal scientists, technologists and research councils, Island Sea Farms now boasts quality mussels that are the best in the world. For discriminating west coast buyers in the U.S. and Canada, the company supplies fresh, plumper mussels at a 30 per cent price premium over those shipped from the east.

WD assisted the partners through the First Jobs in Science and Technology Program, allowing them to hire a recent graduate who adapted oyster/clam hatchery technology for mussel shellfish. "Unbelievably, we went from producing 3-4 million mussel seeds a year to 100 million as a result of this technology," said Paul.

Island Sea Farms is in the forefront of the mussel farming industry in the West. Paul will be looking to WD to help address the challenge of finding hatcheries to grow the mussel seeds and the financing needed to keep growing.

These are just four examples of the entrepreneurial spirit that is thriving in Western Canada. If you have a business idea, but don't know where to go for help, give Western Economic Diversification Canada a call at 1-888-338-WEST (9378). We're here to help western Canadian businesses grow and prosper.

Parent Seed Farms Ltd. (204) 737-2625
Fabiob.com Ltd. (403) 949-4980

or 1-888-FABJOB-1

• The Creek in Cathedral Bistro

• Island Sea Farms Inc. (306) 352-4448 • (250) 537-4822



Lorna Cosper, owner of The Creek in Cathedral Bistro, with WD Client Service Officer Christopher Doll



Matt Salo (L) and Paul Simpson (R) of Island Sea Farms.

ARE YOU REALLY LISTENING?



By the Connolly Verburgh Consulting Group

How do you retain strongly dedicated and loyal employees? Each organization is unique and there is no perfect model for creating a *commitment culture*. We often forget that the best way to find out how to keep employees committed is to simply ask them, record their feedback and really listen to what they're saying.

Here are some suggestions for keeping dedicated staff.

Communicate your purpose. Committed employees know what the company's vision is, and that they're part of it. Acknowledge the important role they play in helping you attain your business vision and goals.

Create a "culture of appreciation." If employees are doing the "right" thing, recognize them by saying "thank you" and mean it. Work at creating a culture where this is automatic.

Manage bad performance issues. It is de-motivating for employees to see poor performers (peer or boss) not being dealt with.

Communicate, communicate, communicate. Find many and varied ways to communicate what is going on, how the organization is performing and what is happening. If people aren't kept informed, they will fill in the blanks themselves.

Keep your promises. In relationships, trust is based on promises kept. In organizations, when promises are broken, trust is damaged.

Demonstrate respect for work/life balance. We are all working incredibly hard. Balancing work and life is an unrelenting challenge for today's organizations and workers. Do what you can to respect work/life balance. Demonstrate understanding and flexibility.

Implement a variety of ways to obtain employee feedback—employee attitude surveys, suggestion boxes, employee project committees to work on specific projects, hire a third party to collect information.

Exit interviews. An overlooked and informative way to find out what is really going on is to have an external person conduct exit interviews. These are best conducted about two weeks after an employee has become a "free agent." Because confidentiality and anonymity are guaranteed by using a person external to the company, departed employees may give the "real" reasons to a professional exit interviewer who is objective and unbiased. Often this information is quite different from the reason departing employee's give their manager.

Communicate the values of your organization. Communicate your corporate values when hiring new talent. Write them on small cards, have them laminated and have your employees keep it in their wallet. Next, try to figure out what your employees' values are. Different strategies are necessary to retain an employee who values the excitement of competition versus an employee who values working independently. Try to match your employees' job tasks and responsibilities with their values.

Listen, listen, listen. And when you're done listening, ensure employees know they have been heard and their information or ideas will be followed up and acted upon. Retaining strongly committed and loyal employees requires a lot of hard listening.

Connolly Verburgh Consulting Group is a human resource consulting firm that works with businesses to put the ideas listed here into practice. They specialize in third party exit interview programs, H.R. audits, employee retention and H.R. management programs. They can be contacted at (780) 433-0248.

TURN CUSTOMER COMPLAINTS INTO OPPORTUNITIES

By Kevin Lawrence

Business owners dread the customer complaint. But why not turn the negative "complaint" into a positive "opportunity!"

A business can encounter real problems if customers don't complain – it could mean that the customer doesn't feel comfortable about voicing their concerns. Complaints provide a business with the information needed to improve their customer service.

A study by the Strategic Planning Institute on customers' complaints discovered that 96 per cent of the average business' unhappy customers do not complain. At least nine out of 10 of these noncomplainers won't do business with the company again. However, of the four per cent who launch a complaint, seven of 10 will return to do business again if their concern has been properly handled, and a staggering 19 out of 20 will do business with the company again if their grievance is dealt with quickly.

Consider using this approach to deal with a customer complaint.

- 1. Don't react or try to defend yourself or your company. Acknowledge the customer's concern, empathize and apologize for the inconvenience. This is not an admission of guilt, but it shows respect and concern.
- 2. Understand the situation and the details surrounding the complaint by asking "venting" questions. This helps customers release their frustrations, while providing insight into why they are upset. Then, asked more questions until they say, "That's it; that's everything." You'll notice the customer will appear more relaxed and their anger should have subsided. You can now deal with them rationally, avoiding arguments.
- **3. Listen** to what the customer is saying as they vent their frustrations, and acknowledge their concerns without comment or defence.

- 4. Paraphrase your understanding of the customer's frustration and its cause. This accomplishes two things you confirm your understanding of their complaint, and the customer will feel truly heard and valued because you cared enough to listen and understand.
- 5. Develop a solution. Suggest a solution that will make your customer happy and resolve the complaint, or ask your customer to recommend a solution. In most cases, customers will demand less that you expect, and they'll usually take responsibility and apologize for the inconvenience.
- Go above and beyond customer expectations.
 Resolve the situation immediately and provide solutions that surpass their expectations so they leave more than satisfied.
- 7. Confirm their satisfaction with the solution and thank them for bringing the problem to your attention. Appreciate that they're taking the time and energy to let your company know how to serve them better and keep their business.
- **8.** Customer follow-up. To ensure customer satisfaction and loyalty, call or write a few weeks later to ensure your customer is still happy. They'll be impressed that you care enough to check up.

If you don't ask, you probably won't find out about the problems your customers may be having with your products or services. As a result, you can lose customers and referrals. Dealing with issues head-on will help your business retain its clients and improve chances of new business opportunities through customer referrals.

Kevin Lawrence is a business and personal success coach based in Vancouver. As a speaker and author, he works with professional financial advisors to help them build their businesses by increasing referrals and repeat business. Kevin authors two complimentary newsletters, "Successful Life" and "Endless Referrals," that can be accessed through his Web site at: www.kevin-lawrence.com. He can also be reached at (604) 313-2229.

If undeliverable please return to:

Western Economic Diversification Canada Suite 1500, Canada Place 9700 Jasper Avenue NW Edmonton AB T5J 4H7

CELEBRATING SMALL BUSINESS

Small Business Week celebrations are planned in communities across Canada, October 21-27th, to honour small business

entrepreneurs whose achievements in the past year have been outstanding and whose contributions are vital to the economy of their local communities.

Western Economic Diversification Canada (WD) is proud to partner in these celebrations in many

communities across Western Canada. Every year, Small Business Week provides an opportunity to network with those

interested in small business and dedicated to its development through a number of activities such as: conferences, open

> houses, seminars and workshops, luncheons/dinners, business fairs and trade shows, and awards programs to recognize the achievements of small businesses and their impact on the economy.

> For complete details of Small Business Week events happening in your region, contact WD or your

local Chambers of Commerce or Community Futures
Development Corporations. *

Small Business Week is a national celebration of entrepreneurship that was formally adopted in 1981 by the Business Development Bank of Canada with the endorsement of the Canadian Chamber of Commerce.

YOUNG ENTREPRENEUR AWARDS VISIT THE WEST

For the 14th consecutive year, the Business Development Bank of Canada (BDC) will reward young entrepreneurs of outstanding merit at the national launch of Small Business Week in Edmonton.

A young entrepreneur from each province and territory will be presented with an award. The 13 winners are chosen by a panel of judges from the business world, including successful local entrepreneurs and members of local Boards of Trade and Chambers of Commerce, as well as representatives from the BDC and Export Development Corporation (EDC).

In 1994, the BDC added a new dimension to the Awards by creating the Young Entrepreneurs Mentor Program that matches award winners with a prominent business leader who acts as mentor for one year, sharing knowledge, experience and insight. One young award winner will also receive the EDC's Export Achievement Award.

To learn about the Young Entrepreneur Awards and the nomination process for the Awards, contact the BDC's Web site at: www.bdc.ca.